

# State Of New Hampshire

## Monthly Revenue Focus

### Department of Administrative Services

Linda M. Hodgdon, Commissioner  
Karen L. Benincasa, Comptroller



### Monthly Revenue Summary

	(for month)		
	FY 14	Plan	Inc/(Dec)
<b>Gen &amp; Educ *</b>	\$220.0	\$216.0	\$4.0
<b>Highway</b>	\$22.5	\$19.8	\$2.7
<b>Fish &amp; Game</b>	\$1.6	\$1.9	\$(0.3)

\* Excludes Department of Justice (DOJ) Settlement

### Analysis

Total unrestricted revenue of the General and Education Funds for June totaled \$221.0 million, \$5.0 million above plan and \$1.3 million above prior year. As a result of Chapter 158:16, Laws of 2014, (SB369) the unrestricted revenue budget was revised, effective 6/30/14, to move \$72.2 million of unrestricted Medicaid Enhancement Tax (MET) revenue to restricted revenue at Department of Health & Human Services. Accordingly, the revised FY 14 unrestricted revenue plan total is \$2,169.4 million. Year to date (YTD) revenue totaled \$2,175.2 million, \$5.8 million above plan but \$94.3 million below prior year. However, excluding the MtBE Settlements received last year, additional Tobacco Settlement payments received last year and MET and Board & Care Revenue now budgeted as restricted revenue, YTD results were approximately \$37.4 million (1.7%) above prior year.

The revenue basis in this June 2014 Monthly Revenue Focus represents **PRELIMINARY CASH BASIS** results for both fiscal years presented and is unaudited. A preliminary accrual report is expected to be issued during the fourth week of July and final revenue results will be available at the conclusion of the audit after year-end accounts receivable and other adjustments are analyzed.

**Business Taxes (BPT & BET)** were below the plan by \$0.8 million for the month, and finished the year \$7.5 million (1.3%) lower than plan YTD. Compared to prior year, receipts for June were slightly higher and \$1.6 million (0.3%) above YTD. According to the Department of Revenue (DRA), YTD results reflect approximately 2% higher taxes received with returns, extensions and estimated payments as compared to prior year. In addition, YTD tax notice revenue was lower than prior year by 1% and YTD refunds were higher by \$8.7 million or 25% versus the same period in the prior year.

**Net Meals and Rentals Tax (M&R)** receipts this month came in \$1.3 million above plan and \$9.4 million above plan YTD. According to DRA, revenue this month from full service hotels and restaurants were up 6% over the same month last year. As can be seen in the chart on page 2, gross revenue receipts for the month, before the effect of Debt Service transfers, were 7% above prior year. YTD gross revenues were \$12.7 million or 5% above prior year.

**Tobacco Tax** receipts for the month were above plan by \$4.5 million (23%) and were \$5.5 million (30%) above June of last year. According to DRA, although stamp sales for the month of June were 2% below the same month last year, the state received approximately \$4.0 million more in cash for bond payments versus the prior year. It is anticipated that the year over year decline in stamp sales outstanding on bond at 6/30/14 will result in a reduction to the accrual basis revenue of \$2.0 million when the accrual basis report is issued at the end of July.

**Interest and Dividends Tax** revenue received in June was \$1.6 million (12%) lower than plan and on a year to date basis, tax revenue was approximately 17% lower. Versus the prior year, June revenue was 9% lower and YTD was 14% lower than the prior year. According to DRA, receipts on returns, estimates and extensions for the year were lower by approximately 11% along with a \$3.4 million (53%) increase in refunds issued.

### Current Month

General & Education Funds	FY 14 Actuals	FY 14 Plan	Actual vs. Plan	% Inc/ (Dec)
Business Profits Tax	\$54.4	\$55.0	\$(0.6)	-1.1%
Business Enterprise Tax	36.2	36.4	(0.2)	-0.5%
Subtotal Business Taxes	90.6	91.4	(0.8)	-0.9%
Meals & Rentals Tax	22.2	20.9	1.3	6.2%
Tobacco Tax	23.7	19.2	4.5	23.4%
Transfer from Liquor Commission	12.3	11.4	0.9	7.9%
Interest & Dividends Tax	12.1	13.7	(1.6)	-11.7%
Insurance Tax	0.4	0.8	(0.4)	-50.0%
Communications Tax	4.9	5.2	(0.3)	-5.8%
Real Estate Transfer Tax	8.9	9.0	(0.1)	-1.1%
Court Fines & Fees	1.3	1.1	0.2	18.2%
Securities Revenue	0.6	0.6	0.0	0.0%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	-	-	-	-
Beer Tax	1.2	1.2	-	0.0%
Other	20.5	20.4	0.1	0.5%
Transfer from Lottery Commission	11.3	12.1	(0.8)	-6.6%
Transfer from Racing & Charitable Gaming	0.2	0.5	(0.3)	-60.0%
Tobacco Settlement	-	-	-	-
Utility Property Tax	8.6	7.5	1.1	14.7%
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	219.3	215.5	3.8	1.8%
Net Medicaid Enhancement Revenue	-	-	-	-
Recoveries	0.7	0.5	0.2	40.0%
Subtotal Receipts	\$220.0	\$216.0	\$4.0	1.9%
DOJ Settlement	1.0	-	1.0	-
Total Receipts	\$221.0	\$216.0	\$5.0	2.3%

# NH Revenue Focus - June FY 2014

RET Analysis												
(In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY14	9.6	11.8	9.8	8.9	9.6	7.6	9.0	6.0	5.4	6.0	7.6	8.9
FY13	8.5	8.2	8.9	8.4	8.0	8.5	10.0	6.3	4.2	5.5	7.2	8.6
FY12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5	7.3
Mo over Mo	1.1	3.6	0.9	0.5	1.6	(0.9)	(1.0)	(0.3)	1.2	0.5	0.4	0.3
% Mo over Mo	13%	44%	10%	6%	20%	-11%	-10%	-5%	29%	9%	6%	3%
YTD change over Prior Year	1.1	4.7	5.6	6.1	7.7	6.8	5.8	5.5	6.7	7.2	7.6	7.9
% YTD change	13%	28%	22%	18%	18%	13%	10%	8%	9%	9%	9%	9%

M&R Analysis						
	June			YTD		
	FY 14	FY 13	Diff	FY 14	FY 13	Diff
Gross Collections	23.4	21.8	1.6	274.6	261.9	12.7
Bldg Aid						
Debt Svc						
Transfer Net	(1.2)	(1.2)	-	(14.0)	(14.4)	0.4
Revenue	22.2	20.6	1.6	260.6	247.5	13.1

Business Tax Refund Analysis														June
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	
FY14		2.4	2.0	2.9	4.0	12.3	3.0	3.6	5.0	0.5	3.8	1.6	1.8	42.9
FY13		1.1	1.5	1.5	1.8	2.2	0.9	1.0	4.3	6.7	6.9	4.0	2.3	34.2
FY12		1.2	1.6	3.2	1.8	5.5	3.8	4.0	1.3	1.5	1.2	3.5	4.1	32.7
Mo over Mo change		1.3	0.5	1.4	2.2	10.1	2.1	2.6	0.7	(6.2)	(3.1)	(2.4)	(0.5)	8.7
YTD change		1.3	1.8	3.2	5.4	15.5	17.6	20.2	20.9	14.7	11.6	9.2	8.7	

## General & Education Funds Comparison to FY 13

General & Education Funds	Monthly			Year-to-Date			% Inc/ (Dec)
	FY 14 Actuals	FY 13 Actuals	Inc/(Dec)	FY 14 Actuals	FY 13 Actuals	Inc/(Dec)	
Business Profits Tax	\$54.4	\$52.9	\$1.5	\$328.6	\$323.6	\$5.0	1.5%
Business Enterprise Tax	36.2	37.0	(0.8)	225.0	228.4	(3.4)	-1.5%
Subtotal Business Taxes	90.6	89.9	0.7	553.6	552.0	1.6	0.3%
Meals & Rentals Tax	22.2	20.6	1.6	260.6	247.5	13.1	5.3%
Tobacco Tax	23.7	18.2	5.5	221.7	204.2	17.5	8.6%
Transfer from Liquor Commission	12.3	11.8	0.5	136.4	132.6	3.8	2.9%
Interest & Dividends Tax	12.1	13.3	(1.2)	80.1	93.2	(13.1)	-14.1%
Insurance Tax	0.4	1.0	(0.6)	95.0	95.4	(0.4)	-0.4%
Communications Tax	4.9	4.2	0.7	58.7	60.0	(1.3)	-2.2%
Real Estate Transfer Tax	8.9	8.6	0.3	100.2	92.3	7.9	8.6%
Court Fines & Fees	1.3	1.0	0.3	13.4	13.1	0.3	2.3%
Securities Revenue	0.6	0.4	0.2	40.6	38.1	2.5	6.6%
Utility Consumption Tax	0.5	0.4	0.1	6.2	6.0	0.2	3.3%
Board & Care Revenue	-	1.9	(1.9)	-	25.7	(25.7)	-100.0%
Beer Tax	1.2	1.4	(0.2)	12.8	13.2	(0.4)	-3.0%
Other	20.5	18.1	2.4	71.1	69.6	1.5	2.2%
Transfer from Lottery Commission	11.3	13.2	(1.9)	73.8	72.7	1.1	1.5%
Transfer from Racing & Charitable Gaming	0.2	0.3	(0.1)	2.8	3.0	(0.2)	-6.7%
Tobacco Settlement	-	-	-	42.3	63.2	(20.9)	-33.1%
Utility Property Tax	8.6	7.9	0.7	35.8	33.2	2.6	7.8%
State Property Tax	-	-	-	363.6	363.7	(0.1)	-0.0%
Subtotal Traditional Taxes & Transfers	219.3	212.2	7.1	2,168.7	2,178.7	(10.0)	-0.5%
Net Medicaid Enhancement Rev	-	3.4	(3.4)	-	76.2	(76.2)	-100.0%
Recoveries	0.7	1.5	(0.8)	5.5	5.6	(0.1)	-1.8%
Subtotal Receipts	\$220.0	\$217.1	\$2.9	\$2,174.2	\$2,260.5	\$(86.3)	-3.8%
DOJ Settlement	1.0	-	1.0	1.0	-	1.0	
MtBE Settlement	-	2.6	(2.6)	-	9.0	(9.0)	
Total Receipts	\$221.0	\$219.7	\$1.3	\$2,175.2	\$2,269.5	\$(94.3)	-4.2%

All funds reported on a cash basis, dollars in millions.

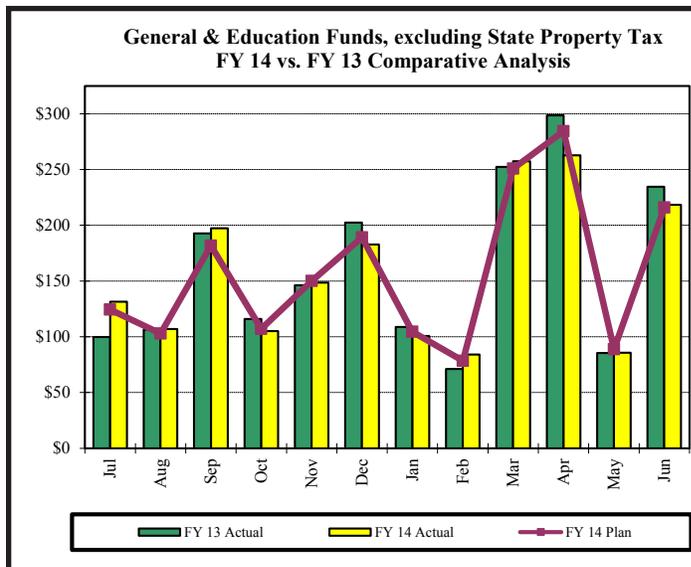


**General and Education Funds**

Year-to-Date Comparison to Plan										
General & Education Funds	General			Education			Total			% Inc/ (Dec)
	Actual	Plan	Actual vs.	Actual	Plan	Actual vs.	Actual	Plan	Actual vs.	
			Plan			Plan			Plan	
Business Profits Tax	\$270.7	\$276.2	\$(5.5)	\$57.9	\$59.9	\$(2.0)	\$328.6	\$336.1	\$(7.5)	-2.2%
Business Enterprise Tax	79.4	74.9	4.5	145.6	150.1	(4.5)	225.0	225.0	-	0.0%
Subtotal Business Taxes	350.1	351.1	(1.0)	203.5	210.0	(6.5)	553.6	561.1	(7.5)	-1.3%
Meals & Rentals Tax	253.0	243.4	9.6	7.6	7.8	(0.2)	260.6	251.2	9.4	3.7%
Tobacco Tax	132.6	127.5	5.1	89.1	87.2	1.9	221.7	214.7	7.0	3.3%
Transfer from Liquor Commission	136.4	133.1	3.3	-	-	-	136.4	133.1	3.3	2.5%
Interest & Dividends Tax	80.1	96.1	(16.0)	-	-	-	80.1	96.1	(16.0)	-16.6%
Insurance Tax	95.0	86.9	8.1	-	-	-	95.0	86.9	8.1	9.3%
Communications Tax	58.7	62.5	(3.8)	-	-	-	58.7	62.5	(3.8)	-6.1%
Real Estate Transfer Tax	65.6	64.9	0.7	34.6	32.0	2.6	100.2	96.9	3.3	3.4%
Court Fines & Fees	13.4	13.0	0.4	-	-	-	13.4	13.0	0.4	3.1%
Securities Revenue	40.6	37.6	3.0	-	-	-	40.6	37.6	3.0	8.0%
Utility Consumption Tax	6.2	6.0	0.2	-	-	-	6.2	6.0	0.2	3.3%
Board & Care Revenue	-	-	-	-	-	-	-	-	-	-
Beer Tax	12.8	13.2	(0.4)	-	-	-	12.8	13.2	(0.4)	-3.0%
Other	71.1	70.0	1.1	-	-	-	71.1	70.0	1.1	1.6%
Transfer from Lottery Commission	-	-	-	73.8	75.3	(1.5)	73.8	75.3	(1.5)	-2.0%
Transfer from Racing & Charitable Gaming	-	-	-	2.8	3.4	(0.6)	2.8	3.4	(0.6)	-17.6%
Tobacco Settlement	2.3	4.9	(2.6)	40.0	40.0	-	42.3	44.9	(2.6)	-5.8%
Utility Property Tax	-	-	-	35.8	34.5	1.3	35.8	34.5	1.3	3.8%
State Property Tax	-	-	-	363.6	363.6	-	363.6	363.6	-	0.0%
Subtotal Traditional Taxes & Transfers	1,317.9	1,310.2	7.7	850.8	853.8	(3.0)	2,168.7	2,164.0	4.7	0.2%
Net Medicaid Enhancement Rev	-	-	-	-	-	-	-	-	-	-
Recoveries	5.5	5.4	0.1	-	-	-	5.5	5.4	0.1	1.9%
Subtotal Receipts	\$1,323.4	\$1,315.6	\$7.8	\$850.8	\$853.8	\$(3.0)	\$2,174.2	\$2,169.4	\$4.8	0.2%
DOI Settlement	1.0	-	1.0	-	-	-	1.0	-	1.0	-
Total Receipts	\$1,324.4	\$1,315.6	\$8.8	\$850.8	\$853.8	\$(3.0)	\$2,175.2	\$2,169.4	\$5.8	0.3%

Education Trust Fund Statement of Activity - FY 2014 July 1, 2013 to June 30, 2014	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	850.8
<b>Expenditures</b>	
Education Grants & Adm Costs	(948.3)
<b>Ending Surplus (Deficit) - unaudited</b>	<b>\$ (97.5)</b>

Ending deficit will be affected by year end accrual adjustments, after which any remaining deficit will be funded by the General Fund. The FY 2014 budget anticipated a deficit of \$105.5 million.





### Real Estate Transfer Tax Analysis

Total transactions July through May (calendar month) by county

Prepared from data provided by DRA

	July - May		May	May
	FY 14	FY 13	FY 14	FY 13
Belknap	1,832	1,729	192	189
Carroll	1,891	2,016	165	217
Cheshire	1,319	1,341	118	128
Coos	859	888	74	84
Grafton	3,013	2,269	355	304
Hillsborough	6,938	6,560	673	713
Merrimack	2,711	2,719	273	291
Rockingham	6,124	5,993	458	681
Strafford	2,197	2,321	244	248
Sullivan	985	905	83	106
<b>Totals</b>	<b>27,869</b>	<b>26,741</b>	<b>2,635</b>	<b>2,961</b>
<b>% Change</b>	<b>4%</b>		<b>-11%</b>	

### Sales of Cigarette Stamps

Total sold (calendar month)  
July through June for each of last five years  
(number of stamps, in thousands)

Prepared from data provided by DRA

	Sales of Stamps	Volume Change	Percent Change
2014	119,866	1,482	1.3%
2013	118,384	(5,365)	-4.3%
2012	123,749	1,524	1.2%
2011	122,225	(6,351)	-4.9%
2010	128,575	(24,808)	-16.0%

### Fish & Game Fund

#### Comparison to Plan

Revenue Category	FY 14 year-to-date		Actual vs. Plan	FY 13 Actuals
	Actuals	FY 14 Plan		
Fish and Game Licenses	\$8.4	\$8.5	\$(0.1)	\$8.4
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.6	0.7	(0.1)	0.5
Federal Recoveries Indirect Costs	1.0	0.8	0.2	0.9
<b>Total</b>	<b>\$10.1</b>	<b>\$10.1</b>	<b>\$0.0</b>	<b>\$9.9</b>

### Highway Fund

#### Comparison to Plan

Revenue Category	year-to-date			FY 13 Actuals
	FY 14 Actuals	FY 14 Plan	Actual vs. Plan	
Gasoline Road Toll	\$124.6	\$122.7	\$1.9	\$123.3
Miscellaneous	16.1	15.8	0.3	47.2
<b>Motor Vehicle Fees</b>				
MV Registrations	79.4	75.0	4.4	77.9
MV Operators	12.3	11.5	0.8	12.7
Inspection Station Fees	3.9	3.9	-	3.9
MV Miscellaneous Fees	10.5	11.1	(0.6)	11.0
Certificate of Title	8.1	8.0	0.1	7.8
<b>Total Fees</b>	<b>114.2</b>	<b>109.5</b>	<b>4.7</b>	<b>113.3</b>
<b>Total</b>	<b>\$254.9</b>	<b>\$248.0</b>	<b>\$6.9</b>	<b>\$283.8</b>

**Highway Fund:** According to Road Toll Operations, actual fuel consumption is up approximately 1.2% YTD over the same period last year.

NOTE: YTD actual revenue is below YTD FY13 revenue by approximately \$28.9 million (10.2%), primarily a result of a budget change made in FY14. Federal overhead recoveries and internal indirect cost (from the Turnpike fund to the Highway Fund) are no longer reported as miscellaneous Highway fund revenue. They now are recorded as other restricted revenue within DOT's budget.

#### Continued from Page 1

**Real Estate Transfer Tax** revenue for June came in 1% below plan but was 3.5% above the prior year. DRA reports that although reported county transactions for June (May transactions) were 11% below last year, the value of the transactions have increased.

**Other** June receipts came in slightly above plan bringing year to date receipts \$1.1 million above plan. June includes the annual legislated transfer of abandoned property which totaled \$15.6 million, \$5.8 million higher than original estimate. Additional anticipated revenue and transfers will be recorded through the closing period.

**Lottery Transfers** during the year, in general, are made for operations of the prior month. In June, transfers are made for May and an estimate of June operations and nothing is transferred in July. Transfers for the month totaling \$11.3 million (\$5.4 million May and \$5.9 million June) were \$0.8 million below plan for June and \$1.5 million below plan YTD. As compared to prior year, June transfers were \$1.9 million below with YTD higher by \$1.1 million.

**Utility Property Tax** came in above plan for June and on a YTD cash basis.

Approximately \$3.4 million of **Medicaid Enhancement Tax (MET)** revenue was received in June of last year, with no comparable receipts this June. Also, as stated on page 1, MET revenue is now fully budgeted as restricted revenue in FY14 pursuant to Chapter 158:16, Laws of 2014.

During the month, the **Department of Justice** recorded an unbudgeted **settlement** of approximately \$1.0 million to the General Fund.

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